

NOT FOR CITATION

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

MARY J. HONG,

Plaintiff,

v.

RIGHT MANAGEMENT
CONSULTANTS, INC.,

Defendant.

No. C 04-4011 PJH

**ORDER GRANTING DEFENDANT'S
MOTION FOR SUMMARY JUDGMENT
IN PART AND DENYING IT IN PART**

Defendant Right Management Consultants, Inc.'s ("Right" or "defendant") motion for summary judgment came on for hearing on February 1, 2006, before this court. Having read the parties' papers and carefully considered their arguments and the relevant legal authorities, and good cause appearing, the court GRANTS the motion in part and DENIES it in part as follows and for the reasons stated at the hearing.

INTRODUCTION

Hong was employed by Right from August 1996 until April 1999, and again in October 2000 until April 2003, as a client services consultant ("CSC"). She brings four of her seven claims under California's Fair Employment and Housing Act, Government Code § 12940 et seq. ("FEHA"), including claims for (1) sexual harassment; (2) gender discrimination; (3) failure to prevent violations; and (4) retaliation. Hong also asserts claims under state law for: (5) wrongful termination in violation of public policy; (6) intentional infliction of emotional distress; and (7) negligent infliction of emotional distress.

BACKGROUND

Hong was employed by Right for nearly three years in its San Francisco office from 1996-1999 as a CSC, a position that Right characterizes as a “salesperson.” During that time, Hong was supervised at least in part by Tim Dorman, James Greenway’s (“Greenway”) predecessor. Hong voluntarily left Right to pursue other business opportunities in 1999.

In September 2000, Greenway became Executive Vice President (EVP) of Right’s Western Group, taking over Tim Dorman’s position. Around that same time, Greenway recruited Hong to return to Right’s San Francisco Office. He offered Hong a position as Regional Managing Principal (“RMP”) for Northern California, which Hong declined. Instead, Hong returned as a CSC, level 3. The primary job of a CSC is to develop new business and manage existing client accounts. At the time Hong returned, an RMP (the position Hong was originally offered) had not yet been hired, so Greenway was Hong’s interim immediate supervisor. That same fall 2000, Greenway also hired Kirk Maxfield (“Maxfield”) for a CSC position, a colleague of Hong’s who worked closely with her and later became one of her closest allies at Right.

Greenway then hired several RMPs who immediately supervised both Hong and Maxfield during 2001. John Beck was among those hired. Beck was hired in January 2001, and he left Right several months later in April 2001. Hong claims that Beck was asked to leave; whereas, Right contends that Beck quit because of Hong’s and Maxfield’s insubordination.

In April 2001, Greenway hired Christine Mellon (“Mellon”) to serve as RMP. Mellon was RMP and Hong’s immediate supervisor until January 2002. During this time, Hong alleges that Greenway began sexual relationships with at least two Right employees, including Irene Holland (“Holland”) and Emily Mora (“Mora”). Hong, however, did not report or complain about the relationships.

In June 2001, Greenway promoted Hong to a CSC, level 4 position. Around that

1 same time, Right announced the development of a new program to recognize its top
2 performing employees, called the President's Advisory Council (also "PAC").

3 In November 2001, Mellon gave Hong a formal performance evaluation. The
4 parties' characterization of the evaluation differs. Right casts it in a much more negative
5 light than Hong.¹ That same month, Hong claims to have observed Greenway become
6 intoxicated at a company training event in Carmel, California, and grab the buttocks of
7 another female Right employee, Michele Pirnik. She also claims that Greenway had sexual
8 relationships that weekend with employees Mora and Holland. Again, Hong did not report
9 or complain about Greenway's conduct, though.

10 One month later, in December 2001, Greenway selected Hong for Right's
11 President's Advisory Council. Soon after, in early January 2002, Jay Klein ("Klein")
12 replaced Mellon as RMP and became Hong's immediate supervisor. It was primarily during
13 Klein's tenure as RMP that Hong claims that she was discriminated against on the basis of
14 her gender and subjected to sexual harassment. Right, on the other hand, contends that
15 Hong, along with Maxfield, was insubordinate, unmanageable, and plagued with
16 performance problems.

17 Klein allegedly "counseled" Hong on a number of occasions in 2002 and 2003
18 regarding her performance. The first time was just a couple of weeks after he became
19 RMP, when on January 23, 2002, he counseled her for disregarding management
20 structure. He again counseled her in early March 2002 regarding her resistance to
21 changes that he was implementing.

22 Hong meanwhile complained to Greenway regarding Klein's alleged gender-based
23 discrimination and harassment. In March 2002, Hong complained to Greenway that Klein
24 had difficulty working with women.

25 ¹Mellon gave Hong a seemingly decent performance evaluation in late 2001 that, in
26 retrospect, she characterized as "overly rosy" several years later in her deposition testimony.
27 Mellon claims that Greenway had encouraged her to keep a favorable tone with Hong in her
28 performance review.

1 Around this same time, in either March or April 2002 (Hong alleges early April 2002;
2 whereas, Right asserts it was early March 2002), Hong was informed by Maxfield that
3 another Right coworker, Michael Gaines ("Gaines"), had referred to Hong as a "fucking
4 matriarch" on either two or three occasions. Hong, however, did not personally overhear or
5 witness Gaines' comments.

6 On April 2, 2002, Klein again counseled Hong, this time regarding her lack of
7 teamwork and difficulties working with her. Two days later, on April 4, 2002, Hong reported
8 Gaines' comments to Klein. Right asserts that on that very same day, Gaines was issued a
9 written warning, and that the problem immediately ceased.² Klein also again spoke with
10 Hong that day regarding difficulties working with her. On April 9, 2002, Klein issued a
11 written summary of Hong's performance and work-related issues.

12 In May 2002, Hong and Klein both attended a function in the Bahamas honoring
13 members of Rights' President's Advisory Council. Shortly after, Hong complained to
14 Greenway regarding Klein's treatment of female employees at the Bahamas function.
15 Hong complained that Klein repeatedly referred to women as "girl," "honey," and
16 "sweetheart." Hong also contends that at that same function, Rich Pinola ("Pinola"), Right's
17 CEO and board chairman, groped and propositioned her. Hong, however, never reported
18 Pinola's misconduct. One month later, in June 2002, Hong contends that she renewed her
19 complaints regarding Klein with Greenway.

20 On August 28, 2002, Klein held a staff meeting. Right contends that Klein and
21 Maxfield got into a heated argument at the meeting, and that Hong inappropriately aligned
22 herself with Maxfield. After the meeting, Klein apparently recommended to Greenway that
23 both Hong and Maxfield be terminated based on their conduct during the meeting.

24
25 ²Klein did not supervise Gaines. Instead, Paul Wright, the Managing Vice President of
26 Right's Organizational Consulting (OC) Group for the Pacific Northwest region was responsible
27 for supervising Gaines. On May 24, 2002, Wright issued a warning memo to Gaines regarding
28 the incident.

1 Greenway agreed to the termination of Maxfield, but Right asserts that Greenway “saved
2 Hong’s job” and refused to fire her.

3 Hong complained to Greenway after the meeting that Klein had set both she and
4 Maxfield up for ridicule. She contends that Greenway refused to initiate a human resources
5 investigation of Klein thereafter.

6 On November 26, 2002, Klein gave Hong a negative performance review, following
7 which Right asserts that she received the lowest overall rating for any CSC in the office. In
8 January 2003, Klein again counseled Hong regarding her performance.

9 In April 2003, Right underwent a national reduction in force (“RIF”). Klein apparently
10 initially recommended to Greenway that only one male CSC, Peter Engler (“Engler”), be
11 fired. Greenway, however, suggested that Klein consider adding Hong to his list. Klein
12 revised the list, added Hong, and Greenway approved her termination.

13 On March 29, 2004, Hong filed an administrative charge with the California
14 Department of Fair Employment and Housing (“DFEH”) and was issued a right to sue letter.
15 Hong filed her complaint in state court on September 8, 2004. On September 22, 2004,
16 Right answered the complaint and removed the case to federal court. Right filed its motion
17 for summary judgment on December 22, 2005.

18 DISCUSSION

19 A. Legal Standard

20 Summary judgment is appropriate when there is no genuine issue as to
21 material facts and the moving party is entitled to judgment as a matter of law. Fed.R.Civ.P.
22 56. Material facts are those that might affect the outcome of the case. *Anderson v. Liberty*
23 *Lobby, Inc.*, 477 U.S. 242, 248 (1986). A dispute as to a material fact is “genuine” if there
24 is sufficient evidence for a reasonable jury to return a verdict for the nonmoving party. *Id.*

25 A party seeking summary judgment bears the initial burden of informing the court of
26 the basis for its motion, and of identifying those portions of the pleadings and the discovery
27 responses that demonstrate the absence of a genuine issue of material fact. *Celotex Corp.*

1 v. *Catrett*, 477 U.S. 317, 323 (1986). Where the moving party will have the burden of proof
2 at trial, it must affirmatively demonstrate that no reasonable trier of fact could find other
3 than for the moving party. On an issue where the nonmoving party will bear the burden of
4 proof at trial, the moving party can prevail merely by pointing out to the court that there is
5 an absence of evidence to support the nonmoving party's case. *Id.* If the moving party
6 meets its initial burden, the opposing party must then set forth specific facts showing that
7 there is some genuine issue for trial in order to defeat the motion. *Anderson*, 477 U.S. at
8 250.

9 Once the moving party meets its initial burden, the nonmoving party must go beyond
10 the pleadings and, by its own affidavits or discovery, "set forth specific facts showing that
11 there is a genuine issue for trial." Fed.R.Civ.P. 56(e); *Anderson*, 477 U.S. at 250. "To
12 show the existence of a 'genuine' issue, . . . [a plaintiff] must produce at least some
13 significant probative evidence tending to support the complaint." *Smolen v. Deloitte*,
14 *Haskins & Sells*, 921 F.2d 959, 963 (9th Cir. 1990). The court must view the evidence in a
15 light most favorable to the nonmoving party. *United States v. City of Tacoma*, 332 F.3d
16 574, 578 (9th Cir. 2003). The court must not weight the evidence or determine the truth of
17 the matter, but only determine whether there is a genuine issue for trial. *Balint v. Carson*
18 *City*, 180 F.3d 1047, 1054 (9th Cir. 1999).

19 Deference to the nonmoving party has some limits. Thus, a plaintiff cannot rest on
20 the allegations in her pleadings to overcome a motion for summary judgment. *Brinson v.*
21 *Linda Rose Joint Venture*, 53 F.3d 1044, 1049 (9th Cir. 1995). Self-serving affidavits will
22 not establish a genuine issue as to material fact if they fail to state facts based on personal
23 knowledge or are too conclusory. *Rodriguez v. Airborne Express*, 265 F.3d 890, 902 (9th
24 Cir. 2001). If the nonmoving party fails to show that there is a genuine issue of fact for trial,
25 "the moving party is entitled to judgment as a matter of law." *Celotex*, 477 U.S. at 323.

26 Regardless of whether plaintiff or defendant is the moving party, each party must
27 "establish the existence of the elements essential to [its] case, and on which [it] will bear
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the burden of proof at trial.” *Celotex*, 477 U.S. at 322.

B. Defendant’s Motion for Summary Judgment

Right now seeks summary judgment on all seven claims alleged in Hong’s complaint.

1. Sexual Harassment Claim

Hong alleges two bases for her harassment claim: (1) that a hostile and abusive work environment existed based on Klein’s conduct toward her, and based on the treatment of women generally in the workplace; and (2) Right created intolerable working conditions by allowing widespread sexual favoritism.

a. Hostile Environment based on Klein’s Conduct Directed at Plaintiff

Hong contends that she was a constant target of Klein’s harassing behavior. Hong alleges that Klein often berated her and made disparaging comments about her professional ability and competence. She provided numerous examples of Klein’s alleged harassing conduct, including:

- Treating her in a dismissive, sexist manner by raising his hand to her for her to “shut up” when she disagreed with him, something that he did not do to male CSCs;
- Stepping in front of Hong to block others’ view of her as if she were non-existent to demean and intimidate her, again something Hong alleges Klein did not do to male CSCs;
- Standing over Hong and pointing his finger while berating her in an effort to upset and intimidate her;
- Humiliating Hong in front of fellow employees by wrongfully accusing her of not selling enough, while exempting male employees from such treatment;
- Refusing to acknowledge that derogatory term “fucking matriarch” constituted sexual harassment under Right’s policy;
- Excluding Hong from training sessions, company task forces and executive

dinners;

- Assigning accounts that Hong brought in to male counterparts; and
- Praising Hong's male peers in sales meetings, while deliberately singling Hong out and accusing her of not selling enough.

She argues that Right is strictly liable for Klein's sexual harassment.

Right argues that Klein never made a gender-based derogatory remark to Hong herself. *Kortan v. California Youth Auth.*, 217 F.3d 1104, 1108, 1110 (9th Cir. 2000). Right also contends that the record shows that Klein did not in fact give males preferential treatment, and notes that Klein supervised three male CSCs, including Maxfield, Engler, and Michael Markavage. Right further notes that Klein recommended that both Maxfield and Engler be terminated, and they in fact were terminated. As for the remaining CSC, Markavage, Right asserts that there is no evidence that Klein treated him differently than the other CSCs; and that regardless, he was not comparable to Hong because he was a CSC 3 – not a CSC 4, as was Hong.³

To state a prima facie case for "hostile environment" sexual harassment under FEHA, plaintiff must allege that she: (1) was subjected to unwelcome sexual advances, conduct or comments; (2) the harassment complained of was based on sex; and (3) the harassment was "so severe or pervasive" as to "alter the conditions of the victim's employment and create an abusive working environment." *Meritor Sav. Bank v. Vinson*, 477 U.S. 57, 67 (1986); *Fisher v. San Pedro Peninsula Hosp.*, 214 Cal.App.3d 590, 608 (Cal. Ct. App. 1989) (adopting federal case law for hostile environment sexual harassment claims under California law). Additionally, in order to render the employer liable for hostile environment harassment, plaintiff must prove that the employer knew or should have

³Regarding the other male employees that Hong claims received favorable treatment from Klein, Gaines and Bob Gilbert, Right argues that neither reported to Klein and that "Klein did not have the authority to give them preferential treatment." Right points out that Gaines and Gilbert were not CSCs or salespersons, but were instead organizational consultants.

known of the harassment and failed to take prompt remedial action. See Gov.C. § 12940(j)(1). Under FEHA, an employer is strictly liable for workplace harassment by a supervisor. *State Dept. of Health Services v. Sup.Ct. (McGinnis)*, 31 Cal.4th 1026, 1042 (Cal. 2003).

Offensive words and conduct that are directed at an employee because of his or her gender may create a hostile workplace environment even though the words and conduct are not sexual in nature. See *Birschtein v. New United Motor Mfg., Inc.*, 92 Cal.App.4th 994, 1001-1002 (Cal. Ct. App. 2001); see also *Accardi v. Sup. Ct.*, 17 Cal.App.4th 341, 348 (Cal. Ct. App. 1993) (citing approvingly *Andrews v. City of Philadelphia*, 895 F.2d 1469, 1485 (3rd Cir. 1990) (“the pervasive use of derogatory and insulting terms relating to women generally and addressed to female employees personally may serve as evidence of a hostile environment”)). “To plead a cause of action for [hostile environment] sexual harassment, it is only necessary to show that gender is a substantial factor in the discrimination and that if the plaintiff “had been a man she would not have been treated in the same manner.” *Birschtein*, 92 Cal.App.4th at 1001. “Offensive comments alone may cause an employee’s work environment to be sufficiently hostile to constitute actionable harassment if they are pervasive enough to interfere with the reasonable victim’s work environment.” *Mayfield v. Trevors Store, Inc.*, 2004 WL 2806175 at *4 (N.D. Cal. 2004) (citing *Birschtein*, 92 Cal.App.4th at 1002).

The court finds that Hong’s testimony and that of her co-workers Craig and Maxfield, raise a triable issue of fact as to whether the numerous instances of alleged misconduct by Klein, as directed at Hong, were based on her gender. Craig’s and Maxfield’s credibility will be issues for the jury.

b. Hostile Environment based on Male Conduct Directed at Plaintiff and Other Women

Hong also argues that a hostile work environment existed for female employees generally at Right. She contends that both Klein and Greenway contributed to this hostile

work environment. Hong notes that in contrast to the “overt sexist hostility” that Klein exhibited towards her, he often demeaned younger female employees in the manner in which he referred to and touched them. Hong asserts that she personally witnessed Klein’s behavior toward other female employees and also received complaints from these women who were afraid to lodge a formal complaint. In support, Hong relies on her declaration and deposition testimony from Maxfield. Specifically, Hong asserts that Klein would regularly:

- Refer to younger female employees as “girls,” “sweetheart,” and “honey;”
- Lurch forward, stare, and “do the rundown” with his eyes over the bodies of female subordinates; and
- Put his arms around female employees, pressing his chest up against their back or touching elbows with them.

Hong also personally observed Greenway’s conduct towards female employees, and knew that Greenway was having sexual relationships with several female Right employees. In her declaration, Hong asserts that CEO Pinola propositioned her at a corporate event. Hong further relies on deposition testimony from another Right employee, Gayle Weibley, that she, too, was propositioned by CEO Pinola.

Right argues that Hong’s hostile environment claim must fail for several reasons, including that: (1) many of the allegations are time-barred; (2) Hong cannot base her claim on conduct of which she was not personally aware; and (3) the alleged conduct was not severe and pervasive.

i. Time Bar/Exhaustion/Continuing Violation

Right argues that Hong may not base her sexual harassment claim on Gaines’, Greenway’s, or Pinola’s conduct because these allegations are time-barred since Hong failed to file a timely administrative charge. *Richards v. Ch2m Hill*, 26 Cal.4th 798, 823 (Cal. 2001). Hong counters that Gaines’, Greenway’s, and Pinola’s conduct is not time-barred based on the “continuing violation doctrine.” She argues that “systematic discrimination practices” occurred at Right, and that the allegations are therefore actionable even if some

1 or all occurred prior to the limitations period. *Meritor*, 477 U.S. at 69. Further, Hong argues
2 that the allegations should be considered exhausted because they are sufficiently similar to
3 those allegations included in her administrative claim and that the administrative claim
4 should be construed liberally. *Baker v. Children's Hospital Medical Center*, 209 Cal.App.3d
5 1057 (Cal. Ct. App. 1989).

6 Under FEHA, an employee must exhaust the administrative remedy provided by the
7 statute by filing a complaint with the Department of Fair Employment and Housing (DFEH)
8 and must obtain from the DFEH a notice of right to sue in order to be entitled to file a civil
9 action in court based on FEHA violations. *Romano v. Rockwell Internat'l, Inc.*, 14 Cal.4th
10 479, 492 (Cal. 1996). The timely filing of an administrative complaint is a prerequisite to
11 bringing a civil action for damages under FEHA. *Id.* Regarding the applicable limitation
12 period, FEHA provides that no complaint for any violation of its provisions may be filed with
13 DFEH "after the expiration of one year from the date upon which the alleged unlawful
14 practice or refusal to cooperate occurred." *Id.* (citing Gov.C. § 12960).

15 However, under the continuing violation doctrine, California courts have recognized
16 that employers will be "liable for actions that take place outside the limitations period if these
17 actions are sufficiently linked to unlawful conduct that occurred within the limitations period."
18 *Yanowitz v. L'Oreal USA, Inc.*, 36 Cal.4th 1028, 1056 (Cal. 2005) (citing *Richards*, 26
19 Cal.4th at 812). The California Supreme Court has noted that "[i]n order to carry out the
20 purpose of the FEHA to safeguard the employee's right to hold employment without
21 experiencing discrimination, the limitations period set out in the FEHA should be interpreted
22 so as to promote the resolution of potentially meritorious claims on the merits." *Richards*, 26
23 Cal.4th at 819.

24 In determining whether the continuing violation doctrine should apply, the court
25 considers whether "the employer's actions were (1) sufficiently similar in kind – recognizing .
26 . . that similar kinds of unlawful employer conduct, such as acts of harassment or failures to
27 reasonably accommodate disability, may take a number of different forms; (2) have occurred
28

with reasonable frequency; and (3) have not acquired a degree of permanence.” *Id.* at 823.

This case is nearly identical to *Medix Ambulance Service, Inc. v. Superior Court*. 97 Cal.App.4th 109 (Cal. Ct. App. 2002). In *Medix*, the court held that the plaintiff had not administratively exhausted her employment claims against individual defendants where she failed to name the individual defendants in either the caption or the body of her administrative charge. *Id.* at 117-18. The state appellate court examined its prior decisions on the issue, and noted that since its prior decisions, the form administrative charge had been revised to put claimants on notice that they needed to specifically identify individuals – not just the named employer. *Id.* at 117-18 (noting that “[t]he word ‘person’ has been inserted after ‘employer’ in the [caption] section seeking the identity of the alleged discriminator” and additionally that “the form has a place for individual discriminators to be identified”). The form approved by the *Medix* court was the very form utilized by Hong here.

Hong identified “Right Management” on her administrative charge, and specifically listed Jay Klein as the alleged discriminator. The body of Hong’s charge, which included a three and one-half page description of the conduct giving rise to the charge, does not mention Pinola or Gaines by name at all. It mentions Greenway, but only to explain Hong’s hiring and the person to whom she complained regarding Klein. It does not mention any alleged misconduct by Greenway. However, it does, without naming Gaines, specifically reference the incident regarding Gaines’ “fucking matriarch” comment.⁴

⁴Plaintiff’s administrative complaint asserts:

Klein not only contributed to the disparate treatment of Right’s female managers and staff, he also endorsed the derogatory and harassing behavior of certain male employees by failing to address complaints raised by female employees. In April 2002, one of the younger male employees repeatedly referred to me as a “fucking matriarch.” I was deeply offended by the derogatory remarks and notified Mr. Klein in writing to that effect. Mr. Klein discounted my concern by responding that he did not find the comment “matriarch” to be “bad or offensive.” Right claims that this male employee was counseled for his remarks. However, I was never notified of any investigation or disciplinary action taken against the

1 As a result, the court concludes that Hong has not administratively exhausted the
2 allegations regarding Greenway or Pinola. See *id.* (trial court properly sustained employer's
3 demurrer to sexual harassment claims where "plaintiff neither listed [individual
4 discriminators] in the administrative charge [caption], nor did she name them in the body of
5 the complaint form as alleged perpetrators"). She has, however, exhausted the allegations
6 regarding Gaines.

7 The court further finds that the sexual affairs that Hong has alleged with respect to
8 Greenway and Pinola do not constitute "continuing violations" under the state law standards
9 set forth above. The course of conduct to which Hong objected, and which was the subject
10 of her administrative complaint, concerned Klein's treatment of her and female employees in
11 general – not the sexual affairs currently alleged. To the extent that Hong's administrative
12 complaint alleged conduct involving Greenway, it concerned only his inadequate follow-up to
13 her complaints regarding Klein.

14 This case is unlike those in which the courts have found that the continuing violation
15 doctrine should permit the inclusion of time-barred, unexhausted allegations. Those cases
16 involved a course of failure or refusal to accommodate a disabled employee, see *Richards*,
17 26 Cal.4th at 821, or a course of retaliatory conduct. See also *Yanowitz*, 36 Cal.4th at 1058.
18 Here, the alleged affairs and misconduct by Greenway and Pinola are not sufficiently similar
19 in kind to the facts and misconduct alleged by Hong in her administrative charge regarding
20 Klein. See *Richards*, 26 Cal.4th at 823. For this reason, Hong will be prohibited from
21 utilizing arguments and evidence of Greenway's and Pinola's alleged affairs and related
22 misconduct as bases for her sexual harassment claim.

23 ii. Conduct Directed at Others

24 Right also argues with respect to Greenway's sexual relationships with Holland and
25 Mora, that his conduct cannot form the basis for a hostile working environment claim

26 _____
27 individual.

1 because it was not directed at Hong and did not occur in her “immediate work environment.”
2 *Fischer*, 214 Cal.App.3d at 610-11; see also *Beyda v. City of Los Angeles*, 65 Cal.App.4th
3 511, 528 (Cal. Ct. App. 1998). Right asserts that Hong cannot establish a hostile
4 environment claim based on the testimony of others – including Craig, Maxfield, and
5 Weibley – if she neither experienced nor knew about the incidents to which they testified.

6 “Whether an environment is hostile or abusive can be determined only by looking at
7 all the circumstances.” *Harris v. Forklift Systems*, 510 U.S. 17, 23 (1993). Those
8 circumstances include the frequency of the discriminatory conduct; its severity; whether it is
9 physically threatening or humiliating, or a mere offensive utterance; and whether it
10 unreasonably interferes with an employee’s work performance.” *Id.* “Evidence of the
11 general work atmosphere, involving employees other than the plaintiff, is relevant to the
12 issue of whether there existed an atmosphere of hostile work environment.” *Fischer*, 214
13 Cal.App.3d at 610-611. “[O]ne who is personally subjected to offensive remarks and
14 touchings can establish a hostile work environment by showing the harassment existed in
15 the place of employment.” *Id.*; see also *Beyda*, 65 Cal.App.4th at 519 (concluding that
16 “incidents of sexual harassment directed toward other employees in the work environment
17 [are] relevant to th[e] evaluation” of whether a hostile environment existed).

18 However, where the plaintiff is not personally subjected to the offensive remarks or
19 touching, the plaintiff must establish that she personally witnessed the harassing conduct or
20 was otherwise aware of it. *Beyda*, 65 Cal.App.4th at 519. Otherwise, that conduct “cannot
21 alter the conditions of her employment and create an abusive working environment.” *Id.*
22 Accordingly, harassment directed toward others of which plaintiff was unaware when it
23 occurred has no bearing on whether plaintiff reasonably considered her working
24 environment abusive. *Brooks v. City of San Mateo*, 229 F.3d 917, 924 (9th Cir. 2000).

25 As discussed above, Hong has not exhausted the allegations regarding Greenway
26 and Pinola’s conduct, and is precluded from introducing these allegations for that reason.

27 Additionally, the court finds that Hong may not rely on evidence regarding Pinola’s
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1 conduct toward Gayle Weibley and Pinola's conduct toward other Right employees because
2 Hong was not aware of the conduct. However, that is not the case regarding Greenway.
3 Hong has introduced sufficient evidence that she was aware of Greenway's affairs, and that
4 is all that is required under the circumstances. Nevertheless, as set forth above, Hong
5 cannot rely on the evidence concerning Greenway's affairs because such allegations are
6 unexhausted.

7 As for Klein's conduct toward other female employees, the court finds that Hong has
8 submitted sufficient evidence that she was aware that such conduct was occurring.
9 Accordingly, Hong may rely on evidence regarding *Klein's* conduct toward other women in
10 the workplace in support of her hostile environment sexual harassment claim.

11 iii. Severity

12 Right also argues that the alleged incidents involving Klein constituted "simple
13 teasing" and are insufficient to state a claim for hostile environment harassment. Right
14 further contends that the alleged conduct was too isolated and sporadic.

15 The level of severity required to transform a merely annoying or uncomfortable work
16 environment into an actionable, sexually harassing "hostile environment" is usually a
17 question of fact to be determined by looking at all of the circumstances. *See Harris*, 510
18 U.S. at 22-23. Those circumstances include the frequency of the discriminatory conduct, its
19 severity, whether it is physically threatening or humiliating, or merely offensive, and whether
20 it unreasonably interferes with an employee's work performance. *Id.*

21 "Isolated incidents, unless extremely serious, will not amount to a discriminatory
22 change in the terms and conditions of employment." *Faragher v. City of Boca Raton*, 524
23 U.S. 775, 788 (1998). A single incident generally will not be sufficient unless it is very
24 severe. *Clarke Co. School Dist. v. Breeden*, 532 U.S. 268, 271 (2001); *see also Ellison v.*
25 *Brady*, 924 F.2d 872, 878 (9th Cir. 1991).

26 In evaluating this issue, the court has considered Klein's conduct toward other female
27 employees, in addition to that directed at Hong, to determine whether his conduct was

1 sufficiently severe. Hong has alleged numerous incidents of harassment, which the court
2 does not find to be isolated. Additionally, the court finds that the frequency and the context
3 of the alleged conduct create a triable issue of fact regarding the severity.

4 c. Sexual Favoritism

5 Hong also contends that Right created intolerable working conditions by allowing
6 widespread sexual favoritism or “reverse discrimination.” See *Miller v. Dep’t of Corrections*,
7 36 Cal.4th 446 (Cal. 2005). She argues that Greenway heavily favored those women with
8 whom he was having sexual affairs, including Holland and Mora, for salary increases,
9 promotions, bonuses, working hours, and favorable account assignments.

10 Right again posits a number of arguments in opposition to a sexual favoritism claim.
11 Most significantly, Right asserts that Hong did not exhaust the sexual favoritism claim. Right
12 also notes that Hong did not advance the claim in her complaint or in her initial disclosures.

13 Based on the discussion set forth above regarding exhaustion, the court finds that
14 Hong is barred from asserting sexual favoritism as a basis for her harassment claim
15 because she failed to exhaust the claim administratively. As noted, Hong failed to mention
16 Greenway and/or Pinola’s misconduct in her administrative complaint. The administrative
17 complaint did not allege sexually hostile or inappropriate conduct with respect to any Right
18 supervisors except Klein. Furthermore, plaintiff’s complaint in this case does not include a
19 favoritism claim.

20 d. Conclusion

21 In conclusion, the court GRANTS defendant’s motion for summary judgment in part
22 and DENIES it in part as to the harassment claim. The motion is GRANTED in so far as
23 Hong is precluded from basing the harassment claim on allegations regarding Greenway’s
24 and Pinola’s misconduct. Hong is also barred from asserting sexual favoritism as a basis for
25 the harassment claim.

26 The court, however, finds that there is a triable issue regarding the existence of
27 hostile environment sexual harassment based on Klein’s conduct toward Hong and his
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1 conduct toward other female Right employees, and DENIES summary judgment on these
2 grounds.

3 2. Discrimination Claim

4 To establish a prima facie case of employment discrimination based on disparate
5 treatment for sex discrimination, Hong must show that 1) she is a member of a protected
6 class, 2) she suffered an adverse employment action; 3) there is a causal connection
7 between her protected status and the adverse employment action; and 4) similarly-situated
8 individuals outside the relevant class were treated better than she was. *Peterson v.*
9 *Hewlett-Packard Co.*, 358 F.3d 599, 603 (9th Cir. 2004), *citing McDonnell Douglas v. Green*,
10 411 U.S. 792, 802-03 (1973)).

11 If Hong can satisfy this prima facie case, the burden of proof then shifts to Right to
12 “articulate a legitimate, nondiscriminatory reason” for the adverse employment action.
13 *Lyons v. England*, 307 F.3d 1092, 1112 (9th Cir. 2002). If Right can do so, the burden shifts
14 again to the plaintiff to demonstrate that the alleged legitimate reason is in fact a pretext for
15 discrimination. *Id.* Hong “can avoid summary judgment only by demonstrating through
16 specific, substantial evidence that the real reason for her termination was her gender.” *Horn*
17 *v. Cushman & Wakefield Western, Inc.*, 72 Cal.App.4th 798, 806-07 (Cal. Ct. App. 1999). In
18 showing pretext, Hong may “demonstrate either (by additional facts or legal argument) that
19 the defendant's showing was in fact insufficient or (by competent evidentiary materials) that
20 there was a triable issue of fact material to the defendant's showing.” *Martin v. Lockheed*
21 *Missiles*, 29 Cal.App.4th 1718, 1732 (Cal. Ct. App. 1994).

22 Right argues that Hong cannot make out a claim for gender discrimination because:
23 (1) she cannot demonstrate that she suffered any adverse employment action or a
24 connection between the alleged conduct and her gender; (2) Right had legitimate, non-
25 discriminatory business reasons (“LNBR”) for Hong’s termination; (3) because Greenway
26 was responsible for hiring plaintiff and discharging her, the “same actor inference” applies,

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1 and Hong's burden of proof is heightened; and (4) Hong cannot demonstrate that Right's
2 non-discriminatory reasons were pretext.

3 a. Prima Facie Case

4 Right argues that acts comprising the lengthy list of Klein's alleged misconduct,
5 including giving more favorable job assignments to male employees, excluding Hong from
6 business dinners, unjustly criticizing her performance, requesting things on an expedited
7 basis, and not allowing her to train new employees, do not constitute "adverse employment
8 actions." *Brooks*, 229 F.3d at 918, 921 (being ostracized, having difficulty getting desired
9 work and vacation dates, criticism, and unwarranted performance evaluation were not
10 adverse action); *Strother v. Southern Cal. Permanente Medical Group*, 79 F.3d 859, 869
11 (9th Cir. 1996). Right also contends that Hong has not demonstrated that such actions were
12 undertaken on the basis of her gender, as opposed to "anything other than the proper
13 exercise of management discretion."

14 Right further contends that because Greenway was responsible for recruiting Hong to
15 return to Right in 2000, and for approving her layoff in 2003, there is "a strong inference that
16 there was no discriminatory action." *Bradley v. Harcourt, Brace & Co.*, 104 F.3d 267, 270-
17 71 (9th Cir. 1996) ("where the same actor is responsible for both the hiring and firing of a
18 discrimination plaintiff, and both actions occur within a short period of time, a strong
19 inference arises that there was no discriminatory motive"). Right points to six additional
20 facts that it claims support an inference of non-discrimination regarding Greenway: (1) that
21 he actively recruited Hong to return in 2000, despite warnings regarding Hong from his
22 predecessor, Dorman; (2) that he offered Hong the RMP position initially; (3) that he
23 promoted Hong to CSC4 in June 2001; (4) that he appointed Hong to the President's
24 Advisory Council in 2002; (5) that he prohibited RMP Mellon from taking more aggressive
25 performance measures against Hong; and (6) that he saved Hong's job in August 2002
26 when Klein wanted to terminate her.

1 Right also argues that there is a strong inference of non-discrimination based on
2 Klein's actions. Right notes that Klein hired three CSCs during his tenure as RMP, one of
3 whom was female. It further asserts that at the time of Hong's layoff, Klein supervised three
4 female CSCs and two male CSCs, and initially only recommended one male CSC, Engler,
5 for layoff. Right suggests that these facts demonstrate that Klein's actions were gender-
6 neutral.

7 While the court agrees that Hong is unable to make a prima facie showing of gender
8 discrimination as to *Greenway*, it nevertheless concludes that she has made a sufficient
9 prima facie showing that *Klein* discriminated against her based on her gender. The same
10 actor inference applies to Greenway, who hired Hong. Additionally, as set forth by Right, a
11 long list of undisputed evidence undermines any prima facie case of discrimination as to
12 Greenway. Finally, for the reasons discussed above with respect to the harassment claim,
13 Hong is unable to base her gender discrimination claim on Greenway's conduct because
14 those allegations are unexhausted.

15 However, the same analysis does not apply with respect to Klein. First, there is no
16 dispute that Klein did not hire Hong; and the same actor inference is therefore inapplicable.
17 Second, the allegations regarding Klein are exhausted.

18 As for the other elements of Hong's prima facie case, the fact that Hong was
19 terminated pursuant to Klein's decision to recommend her inclusion in the RIF is sufficient
20 adverse action. The court further finds that with respect to Klein, Hong has demonstrated a
21 triable issue as to whether there is a causal connection between her protected status and
22 the adverse employment action.

23 b. LNBR/Pretext

24 Right also asserts several LNBRs for Hong's termination, which fall into three
25 categories: (1) Hong's performance and personality issues; (2) Right's changing business
26 structure to integrate organizational consulting ("OC"); and (3) Right's national RIF.

27 Right notes that prior to Klein's hiring, Hong had received what it characterizes as a
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1 negative performance evaluation from RMP Mellon and had a bad reputation with
2 Greenway's predecessor, Dorman. Additionally, Right cites to the declaration of Wright, the
3 then-manager of the OC group for the Pacific Northwest, who allegedly called for Hong's
4 and Maxfield's termination because of his difficulties working with them. Right further notes
5 that Klein counseled Hong on numerous occasions regarding her poor performance. Right
6 also asserts that it terminated Hong because her "new business development and OC
7 business efforts were abysmal and she had a history of significant performance problems."
8 Furthermore, Right notes that it was undergoing a "radical change in its business" at the
9 time of Hong's layoff. At that time, it was emphasizing the OC business, an area in which it
10 claims Hong's performance was especially poor.

11 Hong argues that Right's LNBRs are pretextual based on inconsistencies in the
12 evidence and the timing of Right's decision to fire Hong. First, Hong disputes Right's
13 characterization of her performance. She notes that in Greenway's deposition testimony, he
14 conceded that "Hong was consistently a top revenue producer throughout her employment
15 at Right." She further notes that Greenway selected her for the President's Advisory
16 Council. While Hong admits that her new and OC business fell short of Klein's goals, she
17 asserts that her revenue was "on par or higher than other employees of the San Francisco
18 office who were not fired." She also argues that her revenue numbers would have been
19 higher if she had not been sabotaged by Klein and subjected to his favoritism of male
20 employees. Hong further notes that Klein was intent on firing her as soon as he arrived at
21 Right.

22 Right, in reply, points out evidence that Hong had performance issues with RMPs
23 Mellon, Beck, and Dorman before Klein arrived. Further, as for the PAC, Right suggests,
24 based on Greenway's deposition testimony, that Greenway's selection of Hong for the honor
25 was to signal to her that she could still "fix her performance issues."

26 Although a RIF, like that alleged by Right, is a legitimate non-discriminatory reason
27 for termination, to the extent that Right asserts that Hong was selected for the RIF based on
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1 her performance, she has sufficiently demonstrated pretext via evidence that she was
2 clearly recognized by Right as a top performer on several occasions. See *Martin*, 29 Cal.
3 App. 4th at 1732.

4 For these reasons, the court DENIES defendant's motion for summary judgment as
5 to this claim.

6 3. Failure to Prevent Violations Claim

7 Hong also argues that Right violated FEHA and its own employment policies by
8 "fail[ing] to take all reasonable steps necessary to prevent discrimination and harassment
9 from occurring." Gov.C. § 12940(l).

10 California Government Code § 12940 provides that "[i]t shall be an unlawful
11 employment practice, unless based upon a bona fide occupational qualification . . . [f]or an
12 employer . . . to fail to take all reasonable steps necessary to prevent discrimination and
13 harassment from occurring." The California Supreme Court has stated that FEHA "makes it
14 a separate unlawful employment practice" for an employer to violate § 12940(k). *State*
15 *Dept. of Health Services v. Superior Court*, 31 Cal.4th 1026 (Cal. 2003).

16 However, it is also clear that there can be no violation of 12940(k) absent a finding of
17 actual discrimination. See *Tritchler v. County of Lake*, 358 F.3d 1150, 1155 (9th Cir. 2003)
18 (holding the district court did not abuse its discretion in requiring a finding of actual
19 discrimination before a violation of section 12940(k) becomes actionable) (citing *Trujillo v.*
20 *North County Transit Dist.*, 63 Cal.App.4th 280, 283-84 (Cal. Ct. App. 1998)). "[T]here's no
21 logic that says an employee who has not been discriminated against can sue an employer
22 for not preventing discrimination that didn't happen." *Trujillo*, 63 Cal.App.4th at 289.

23 Hong asserts that "despite the numerous complaints made by [her] and others to
24 Greenway about Klein's offensive treatment toward women and discriminatory behavior, no
25 action was taken." She contends that Right's own policy required that a report be made to
26 the VP of Human Resources, which was not done. She also states that neither she nor
27 Maxfield were contacted for follow-up, and that Greenway's alleged inaction "gave Klein free
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1 license to harass his female subordinates.”

2 Right argues that because summary judgment should be granted regarding Hong’s
3 claims for discrimination and harassment, it must also be granted on this claim as well.
4 Right further argues that the claim must also fail because it took the requisite reasonable
5 steps to prevent discrimination and harassment, noting that Klein received its employee
6 handbook and participated in sexual harassment training. See *Montero v. Agco Corp.*, 192
7 F.3d 856, 862 (9th Cir. 1999).

8 Because the court determines that triable issues exist with respect to Hong’s
9 harassment and discrimination claims, it DENIES Right’s motion for summary judgment as
10 to this claim. The court further notes that Hong has demonstrated a triable issue as to
11 whether Greenway and Klein complied with the company’s harassment policies; thus, Right
12 is not entitled to summary judgment based on the existence of the handbook and the
13 company training alone. See, e.g., *Faragher*, 524 U.S. at 807 (existence of policy relevant
14 to whether employer exercised reasonable care to prevent harassment).

15 4. Retaliation Claim

16 Hong also claims that Klein’s harassing behavior intensified after she voiced her
17 concerns to Greenway regarding Klein’s treatment of female staff.

18 FEHA protects employees against retaliation for making a complaint or for opposing
19 conduct made unlawful under the Act. Gov.C. § 12940(h). The standards for a retaliation
20 claim are the same under FEHA as Title VII. *Flait v. North American Watch Corp.*, 3
21 Cal.App.4th 467, 476 (Cal. Ct. App. 1992). The elements require that: (1) the plaintiff
22 establish a prima facie case of retaliation; (2) the defendant articulate a legitimate,
23 nonretaliatory explanation for its acts; and (3) the plaintiff show that the defendant’s
24 proffered explanation is merely a pretext. *Id.*

25 To establish a prima facie case of retaliation in violation of FEHA, a plaintiff must: (1)
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1 show that he or she engaged in a protected activity;⁵ (2) that the defendant subjected her to
2 an adverse employment action; and (3) that a causal link exists between the protected
3 activity and the adverse action. *Akers v. County of San Diego*, 95 Cal.App.4th 1441, 1453
4 (Cal. Ct. App. 2002); *Fisher*, 214 Cal. App. 3d at 614. In other words, a plaintiff must
5 demonstrate a causal relationship between protected complaints and an adverse
6 employment action. *Brooks*, 229 F.3d at 928.

7 Hong appears to focus this claim on alleged retaliation by Klein as opposed to
8 Greenway. She contends that Klein's hostile and abusive behavior toward her in spring
9 2002 occurred around the same time that Greenway would have related Hong's complaints
10 regarding Klein to Klein.

11 The evidence demonstrates that Hong first complained to Greenway regarding
12 Klein's alleged gender-based discrimination and harassment in March 2002. Hong
13 subsequently complained to Greenway regarding Klein's gender-based misconduct in May
14 and June 2002. Right does not dispute that these complaints were made, or that the
15 complaints constituted protected activity.

16 Instead, Right challenges the existence of a causal link between Hong's complaints
17 regarding Klein and any adverse actions. Right, citing to Klein's declaration and
18 Greenway's deposition testimony, asserts that Klein was unaware of any of the complaints
19 Hong made about him to Greenway. Right also emphasizes a pre-complaint counseling
20 session on January 23, 2002, that Klein held with Hong regarding her performance to
21 suggest that Klein's post-complaint performance meetings and reviews with Hong were not
22 causally connected to Hong's complaints.

23 Hong does not cite to any evidence demonstrating that Klein had knowledge of her

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25 ⁵Under FEHA, all that is required with respect to the complaints is that the employee
26 have a *reasonable belief* that the employer was engaging in discriminatory or harassing
27 conduct. See *L'Oreal*, 36 Cal.4th at 1048. Additionally, a formal complaint and/or legal terms
28 and buzzwords are not required. See *id.* It is sufficient that an "employee's comments, when
read in their totality, oppose discrimination." *Id.*

1 complaints to Greenway, but instead argues that “[w]hile Greenway and Klein deny that
2 Klein was informed of the complaints made by Hong and Maxfield about [Klein], their
3 credibility is one of the central issues that will be submitted to the jury for its determination.”
4 Oppos. at 22. Hong also suggests that the close proximity in time between her complaints
5 and the alleged adverse actions implies a causal connection.

6 “Essential to a causal link is evidence that the employer was aware that the plaintiff
7 had engaged in the protected activity.” *Morgan v. Regents*, 88 Cal.App.4th 52, 70 (Cal .Ct.
8 App. 2000). “[I]n some cases, causation can be inferred from timing alone where an
9 adverse employment action follows on the heels of protected activity.” *Villiarimo v. Aloha*
10 *Island Air, Inc.*, 281 F.3d 1054, 1065 (9th Cir. 2002) (“nearly 18-month lapse between
11 protected activity and an adverse employment action is simply too long, by itself, to give rise
12 to an inference of causation”); *Yartsoff v. Thomas*, 809 F.2d 1371, 1376 (9th Cir. 1987)
13 (causation existed where adverse action occurred less than three months after complaint
14 was filed); *Flait*, 3 Cal.App.4th at 478 (sufficient causal link where employee was terminated
15 a “few months” after engaging in protected conduct). The Ninth Circuit has, however,
16 cautioned that a “specified time period cannot be a mechanically applied criterion. A rule
17 that any period over a certain time is per se too long (or, conversely, a rule that any period
18 under a certain time is per se short enough) would be unrealistically simplistic.” *Coszalter v.*
19 *City of Salem*, 320 F.3d 968, 977-78 (9th Cir. 2003).

20 The short periods of time between the complaints and adverse actions here –
21 sometimes only days and at most several months – might give rise to an inference sufficient
22 to satisfy this element of Hong’s prima facie case. However, as noted, Klein had already
23 begun counseling Hong regarding her performance prior to her first complaint to Greenway,
24 evidence that tends to dispel an inference of retaliation. Additionally, Hong has not
25 introduced any evidence that Klein was aware of the complaints. “In the absence of
26 evidence that . . . [Klein] w[as] aware of [Hong’s] past filing of a grievance, the causal link
27 necessary for a claim of retaliation cannot be established.” *Morgan*, 88 Cal.App.4th at 72
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1 (plaintiff's claim that rehiring applications were rejected based on prior EEOC complaints
2 failed where plaintiff "presented no evidence to directly refute the declarations disclaiming
3 knowledge of his prior grievance").

4 However, to the extent that Hong also intended to base her claim on alleged
5 retaliation by Greenway, there can be no dispute that Greenway was aware of the
6 complaints because Greenway was the person to whom Hong complained. There is also no
7 evidence, as with Klein, that Greenway had taken any disciplinary action against Hong prior
8 to her complaints to him regarding Klein.⁶

9 However, there is other strong evidence that tends to break the causal link between
10 Hong's complaints and any retaliatory action on Greenway's part. It is undisputed that Hong
11 complained to Greenway regarding Klein's behavior in March, May, and June 2002.
12 Following those complaints and prior to Hong's February 2003 termination, Greenway
13 intervened on Hong's behalf in August 2002 and refused to terminate her pursuant to Klein's
14 recommendation. This intervening favorable treatment is sufficient to dispel any inference of
15 a causal link between Hong's protected activity and the adverse action. *See Manatt v. Bank*
16 *of America*, 339 F.3d 792, 802 (9th Cir. 2003) (employer's decision to give plaintiff a pay
17 raise and selection for prestigious assignment between time of plaintiff's complaint and
18 decision not to promote her dispelled any causal link necessary for retaliation claim).

19 Because Hong has failed to establish a prima facie case for retaliation, the court
20 GRANTS defendant's motion for summary judgment as to this claim.

21 5. Wrongful Termination in Violation of Public Policy Claim

22 Defendant did not address this claim separately in its motion, but appears to argue
23 that summary judgment should be granted as to this claim for the same reasons that it
24 should be granted on the preceding claims.

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26 ⁶In fact, the opposite is true. Greenway hired, promoted, and appointed Hong to the
27 President's Advisory Council.

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1 To establish a claim of wrongful discharge in violation of public policy under California
2 law, plaintiff must show: 1) that she was terminated from her employment,
3 2) that the termination was a violation of public policy, i.e., that there was a nexus between
4 the termination and the plaintiff's status or protected activity, 3) and damages. *Turner v.*
5 *Anheuser-Busch, Inc.*, 7 Cal.4th 1238, 1258-59 (Cal. 1994).

6 In order to support a wrongful discharge claim under California law, a public policy
7 must be (1) delineated in either constitutional or statutory provisions; (2) "public" in the
8 sense that it "inures to the benefit of the public" rather than serving merely the interests of
9 the individual; (3) well established at the time of the discharge; and (4) "substantial" and
10 "fundamental." *Stevenson v. Superior Court*, 16 Cal.4th 880, 901 (Cal. 1997). A discharge
11 in violation of FEHA may give rise to a common law claim for wrongful discharge.
12 *Stevenson*, 16 Cal. 4th at 901. The fundamental public policy against sex discrimination
13 and sexual harassment in the workplace is rooted in the California Constitution. *Rojo v.*
14 *Kliger*, 52 Cal.3d 65, 89 (Cal. 1990).

15 Because the court concludes that triable issues exist regarding plaintiff's harassment
16 and gender discrimination claims, the court also DENIES summary judgment on this claim.

17 6. Negligent Infliction of Emotional Distress

18 Hong also contends that she is entitled to recover damages for negligent infliction of
19 emotional distress under common law. The elements of a cause of action for negligent
20 infliction of emotional distress include: (1) the defendant engaged in negligent conduct; (2)
21 the plaintiff suffered serious emotional distress; and (3) the defendants' negligent conduct
22 was a cause of the serious emotional distress. *Butler-Rupp v. Lourdeaux*, 134 Cal.App.4th
23 1220, 1226 n.1 (Cal. Ct. App. 2005).

24 Right argues that any emotional injury that Hong suffered as a result of her
25 employment or termination is preempted by the workers compensation system. *Robomatic,*
26 *Inc. v. Vetco Offshore*, 225 Cal.App.3d 270, 275 (Cal. Ct. App. 1990); *Shoemaker v. Myers*,
27 52 Cal.3d 1, 19-20 (Cal. 1990).

1 Because the worker's compensation system provides the exclusive forum for
2 employees seeking redress for workplace remedies, a plaintiff cannot bring a common law
3 infliction of emotional distress claim for "ordinary employer conduct that intentionally,
4 knowingly, or recklessly harms [him]." *Fermino v. Fedco, Inc.*, 7 Cal.4th 701, 714 (Cal.
5 1994). That limitation however, "does not apply ... when the 'injury is a result of conduct,
6 whether in the form of discharge or otherwise, not seen as reasonably coming within the
7 compensation bargain.'" *Kovatch v. California Case Management Co.*, 65 Cal.App.4th
8 1256, 1277 (Cal. Ct. App. 1998) (holding that the Workers' Compensation Act does not
9 preempt intentional infliction of emotional distress claims predicated upon wrongful
10 termination in violation of public policy) (quoting *Shoemaker*, 52 Cal.3d at 19-20), *overruled*
11 *on other grounds by Aguilar v. Atlantic Richfield Co.*, 25 Cal.4th 826 (Cal. 2001); *see also*
12 *City of Moorpark v. Superior Court*, 18 Cal.4th 1143, 1154-55 (Cal. 1998) (employee's
13 wrongful discharge claim based on disability discrimination not subject to exclusive
14 jurisdiction of workers' compensation); *Accardi*, 17 Cal.App.4th at 341 (workers'
15 compensation not the exclusive remedy for emotional distress claim based on sexual
16 harassment discrimination in violation of the FEHA).

17 Here, like the cases cited above, Hong's emotional distress claims, based on the
18 alleged sexual harassment and discrimination, are not barred because "the distress is
19 engendered by an employer's illegal practices." *Murray v. Oceanside Unified School Dist.*,
20 79 Cal.App.4th 1338, 1362 (Cal. Ct. App. 2000) ("claim for emotional and psychological
21 damage, arising out of employment, is not barred where the distress is engendered by an
22 employer's illegal discriminatory practices"). The court therefore concludes that there is a
23 triable issue as to whether the injury Hong suffered was the result of conduct not seen as
24 reasonably coming within the compensation bargain. Summary judgment on this claim is
25 DENIED.

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27 7. Intentional Infliction of Emotional Distress

1 Hong also alleges a claim for intentional infliction of emotional distress. The
2 elements of a cause of action for intentional infliction of emotional distress include: (1)
3 extreme and outrageous conduct by defendant; (2) intention to cause or reckless disregard
4 of the probability of causing emotional distress; (3) severe emotional suffering; and (4)
5 actual and proximate causation of the emotional distress. See *Cole v. Fair Oaks Fire*
6 *Protection Dist.*, 43 Cal.3d 148, 155 (Cal. 1970).

7 In addition to the workers compensation preclusion argument addressed above, Right
8 argues that Hong is unable to demonstrate the “outrageous conduct” element for infliction of
9 emotional distress. Right, however, makes the same arguments as to this element that this
10 court rejected regarding the harassment claim. Right contends that the only conduct that
11 Hong alleges consisted of isolated and sporadic instances.

12 Because the court has concluded that triable issues exist regarding the harassment
13 and discrimination claims, and because “[i]t is settled that employment discrimination,
14 particularly that involving sexual harassment, can cause emotional distress and that such
15 distress is compensable under traditional theories of tort law,” summary judgment is also
16 DENIED with respect to this claim. See *Murillo v. Rite Stuff Foods, Inc.*, 65 Cal.App.4th 833,
17 848 (Cal. Ct. App. 1998).

18 **C. Parties’ Evidentiary Objections**

19 1. Defendant’s Objections

20 In support of its motion, Right submitted a 225-page document in objection to Hong’s
21 evidence, which contained 390 individual objections. Right essentially objects to plaintiff’s
22 declaration and supporting exhibits line by line. The objections are generally for lack of
23 foundation, relevance, misleading, and in a few instances, “contradictory” based on alleged
24 contradictions between plaintiff’s declaration and deposition testimony. As the court stated
25 on the record, it will not rule on each of the individual objections. However, the court rules
26 as follows with respect to the general categories of Right’s objections.

27 a. Office Romance Gossip

1 Right objects to evidence regarding Greenway's relationships with Holland and Mora,
2 and Pinola's behavior with respect to Carol Weibley as irrelevant and unduly prejudicial.
3 The court finds that the evidence is indeed irrelevant because: (1) plaintiff can not raise the
4 allegations in conjunction with her claims since the allegations are unexhausted; and (2)
5 with respect to Pinola, plaintiff was not aware of the conduct, so it cannot serve as support
6 for her hostile environment harassment claim.

7 For these reasons, the court SUSTAINS the objections.

8 b. Co-Workers' Opinions Re: Plaintiff's Performance

9 Right argues broadly for exclusion of Craig's and Maxfield's testimony on the basis
10 that they did not supervise plaintiff, and that, therefore, their opinions are irrelevant.

11 However, Craig's and Maxfield's testimony are not primary sources of evidence
12 regarding plaintiff's performance. Instead, plaintiff's performance evidence comes directly
13 from Greenway himself, who testified regarding his recruitment of Hong, his selection of her
14 for the President's Advisory Counsel, from former supervisor Christine Mellon, from plaintiff,
15 from plaintiff's exhibits, which consist of Right letters recognizing her performance, Right
16 revenue documents, and Right performance evaluations and related correspondence.

17 Instead, Craig testified primarily regarding plaintiff's "likeability" and reputation at
18 Right – subjects on which Craig did indeed have personal knowledge and a basis for
19 testifying. Craig's testimony on these subjects is also relevant because Right argued that
20 another reason for adverse employment action was Hong's difficult personality and inability
21 to get along with co-workers.

22 Maxfield's testimony was similar to Craig's. Neither appears to have testified as to
23 matters that were outside of their personal knowledge, such as performance evaluations or
24 employment honors. Accordingly, Right's objections are OVERRULED.

25 c. Co-Worker Craig's Opinions Regarding Klein

26 Right also contends that to the extent Hong relies on Craig's testimony regarding
27 Klein's treatment of employees, such reliance is misplaced because Craig did not work in
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1 the San Francisco office and has admitted that she was not in a position to observe Klein's
2 alleged favorable treatment of male employees.

3 The evidence reveals that Craig conducted meetings that included San Francisco
4 employees, and also occasionally worked with the San Francisco office. The evidence does
5 not suggest that Craig was isolated in the Silicon Valley office.

6 The court therefore OVERRULES this objection.

7 d. Plaintiff's Declaration and Deposition Testimony

8 Right argues that Hong's declaration contradicts her deposition testimony. It
9 contends that Hong cannot now "manufacture new instances of alleged harassment in a
10 declaration . . . crafted for the sole purpose of defeating summary judgment." *See Burrell v.*
11 *Star Nursery*, 170 F.3d 951, 954 (9th Cir. 1999). This court's review of the declarations and
12 deposition testimony does not reveal any such manufactured allegations. The court
13 therefore OVERRULES Right's objection.

14 2. Plaintiff's Objections

15 Plaintiff filed her evidentiary objections late Thursday, January 26, 2006. The
16 majority of plaintiff's objections concerned evidence Right submitted in support of its
17 opening papers. Therefore, as stated on the record, those objections, which were due with
18 plaintiff's opposition no later than January 11, 2006, are untimely and are STRICKEN.

19 The court has, however, considered plaintiff's objections to evidence Right submitted
20 in conjunction with its reply. Those objections concern portions of Hong's deposition
21 testimony submitted via Arena's declaration on reply. The court rules as follows:

22 (52) SUSTAINED. Defendant has miscited the portions of plaintiff's deposition
23 testimony that support the particular assertions in the reply brief that it claims it
24 supports.

25 (53) OVERRULED. Defendant's argument construing plaintiff's deposition
26 testimony is appropriate and accurate.

27 (54) SUSTAINED IN PART AND OVERRULED IN PART. The objection is
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1 sustained only to the extent that defendant cites to plaintiff's deposition
2 testimony for the proposition that "plaintiff agreed that the criticism was valid"
3 because it misrepresents plaintiff's testimony.

4 **D. Parties' Sealing Requests**

5 Prior to the hearing, the parties submitted numerous sealing requests with respect to
6 numerous documents, including briefs, exhibits, and deposition testimony. At the hearing,
7 the plaintiff withdrew all of her requests to seal. Defendant withdrew all of its requests to
8 seal with the exception of Greenway's testimony regarding his private consensual
9 relationships with third parties.

10 The court finds that the evidence is marginally if at all probative to any of plaintiff's
11 claims since plaintiff has failed to exhaust those allegations and is therefore barred from
12 using this evidence as a basis for her claims. Accordingly, the court GRANTS defendant's
13 request to seal ONLY Greenway's testimony as described above pursuant to L.R. 79-5.
14 Defendant shall resubmit its redacted and unredacted materials to conform to the above
15 ruling.

16 **CONCLUSION**

17 For the reasons set forth above, the court GRANTS IN PART defendant's motion for
18 summary judgment as to Hong's harassment claim. The motion is GRANTED to the extent
19 that Hong is precluded from basing the harassment claim on allegations regarding
20 Greenway's and Pinola's misconduct as discussed above; plaintiff is also barred from
21 asserting sexual favoritism as a basis for the claim. The court, however, finds that there is a
22 triable issue regarding the existence of hostile environment sexual harassment based on
23 Klein's conduct toward Hong and his conduct toward other female Right employees; and
24 DENIES summary judgment on these grounds. The court also GRANTS summary
25 judgment on plaintiff's retaliation claim.

26 The court DENIES summary judgment on plaintiff's gender discrimination, failure to
27 prevent violations, wrongful termination, negligent infliction of emotional distress, and
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1 intentional infliction of emotional distress claims.

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IT IS SO ORDERED.

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5 Dated: February 14, 2006

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PHYLLIS J. HAMILTON
United States District Judge

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